

MAY 2002 HIGHLIGHTS

Nearly 60 percent of all the construction activity authorized in May was for new houses or additions and alterations to existing dwellings. The total amount of work was \$793.8 million. Residential buildings accounted for \$464.1 million of this amount. The estimated cost of construction for nonresidential uses was \$329.7 million; 509 municipalities reported.

Year to Date

In the first five months of 2002, three of the four major construction indicators are down compared to last year. The estimated cost of work authorized by permits is down by \$311.4 million (6.5 percent). There are nearly 1,000 fewer new houses. The amount of new office space declined by 3.4 million square feet (47.3 percent) compared to 2001. Only new retail space has set a pace that is better than last year's mark.

Major Construction Indicators, New Jersey: January – May				
Period	Estimated Cost of Construction	Authorized Housing Units	Authorized Office Space (square feet)	Authorized Retail Space (square feet)
January – May '98	\$3,164,853,868	11,956	3,034,481	3,583,066
January – May '99	\$3,943,487,194	12,635	4,203,626	2,876,614
January – May '00	\$3,868,595,659	13,618	5,278,447	2,066,933
January – May '01	\$4,782,986,399	13,001	7,229,819	2,404,072
January – May '02	\$4,471,610,569	12,002	3,807,699	3,332,698
<i>Difference Between 2001 and 2002</i>				
1999-2000	(\$311,375,830)	(999)	(3,422,120)	928,626
Percent Change	-6.5%	-7.7%	-47.3%	38.6%
Source: N.J. Department of Community Affairs, 7/8/02				

Top Localities

The City of Newark in Essex County led all localities with the most work in May. The City issued building permits for \$32.7 million of activity. An \$8.1-million addition to a private school and a \$5.1-million addition to Saint Michael's Medical Center were the big projects. Newark also demolished two high-rise housing structures, each with 340 apartments.

Other communities that had a lot of activity in May were Princeton Township in Mercer County and Parsippany-Troy Hills Township in Morris County. Most of the work in Princeton was for a new \$15.9-million dormitory for the university. Housing accounted for more than half of the activity in Parsippany-Troy Hills. The Township also had over \$6 million in retail and office construction.